

July 26, 2016

Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street SW Washington DC 20554

Re: Written Ex Parte Communication, MB Docket Nos. 14-50, 09-182, 07-294

Dear Ms. Dortch:

Although the Commission determined more than a decade ago that the print newspaper rule no longer serves the public interest, an FCC fact sheet reports that the broadcast ownership order circulating for vote would make no serious modifications to the rule. In light of this, the National Association of Broadcasters (NAB) is filing for the record the attached information regarding the plight of print newspapers for the Commission's consideration. The attached

http://www.recode.net/2016/6/28/12050416/jeff-bezos-saving-washington-post-but-not-newspapers; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 8, 2016) at Attachment, Erik Sass, "Print Ad Declines: Newspaper, Magazine Revs Fall Again," Publishers Daily, TheDailyBlog, (June 27, 2016), available at:

http://www.mediapost.com/publications/article/279073/printaddeclinesnewspapermagazinerevsfall a.html?print; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 11, 2016) at Attachment, Athena Cao, "Newspapers' woes linger as digital ad spending, cable network revenues rise," USA Today, (June 15, 2016), available at:

http://www.usatoday.com/story/money/2016/06/15/news-media-yahoo-google-twitter-facebook-verizon-tv/85937176/; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 12, 2016)

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<sup>&</sup>lt;sup>1</sup> See Prometheus Radio Project v. FCC, Nos. 15-3863, 15-3864, 15-3865 & 15-3866, at 38 (3d Cir. May 25, 2016) (*Prometheus III*) ("[T]he 1975 [cross-ownership] ban remains in effect to this day even though the FCC determined more than a decade ago that it is no longer in the public interest. This has come at significant expense to parties that would be able, under some of the less restrictive options being considered by the Commission, to engage in profitable combinations.").

<sup>&</sup>lt;sup>2</sup> FCC, Fact Sheet: Updating Media Ownership Rules in the Public Interest (rel. Jun. 27, 2016).

<sup>&</sup>lt;sup>3</sup> Since July 6, NAB has filed various articles discussing the challenges faced by print newspapers and the public's increasing reliance on non-print outlets for news and information. See NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 6, 2016) at Attachment, David Glance, "The story of the nosebleed decline of the newspaper industry told in pictures," The Conversation (June 5, 2016), available at: <a href="http://theconversation.com/the-story-of-the-nosebleed-decline-of-the-newspaper-industry-told-in-pictures-60530">http://theconversation.com/the-story-of-the-nosebleed-decline-of-the-newspaper-industry-told-in-pictures-60530</a>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 7, 2016) at Attachment, Noah Kulwin, "Jeff Bezos is saving the Washington Post, but he won't be able to save newspapers," recode (June 28, 2016) available at:

article discusses the most recent American Society of News Editors annual newsroom census, which found that newspaper job losses "accelerated in 2014, falling by more than 10 percent in a single year." <sup>4</sup> The total number of print newsroom professionals reported in the census was 32,900—a 40 percent reduction since a pre-recession peak of 55,000 in 2006.<sup>5</sup>

To the extent that Commission's rationale for restricting print newspaper ownership relates to viewpoint diversity or independent "voices," NAB notes that a newspaper that has closed its

at Attachment, Joshua Benton, "Tampa just lost a daily newspaper; is this the continuation of an old trend or the start of a new one?," NiemanLab, (May 4, 2016), available at: http://www.niemanlab.org/2016/05/tampa-just-lost-a-daily-newspaper-is-this-the-continuation-of-anold-trend-or-the-start-of-a-new-one/; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 13, 2016) at Attachment, Nick Madigan, "An Abrupt End to The Tampa Tribune After a Blow Delivered by Its Rival," The New York Times, (May 20, 2016) available at: <a href="http://nyti.ms/256WgNS">http://nyti.ms/256WgNS</a>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 14, 2016) at Attachment, Patrick Seitz, "Facebook, Google Cash in on Ads as News Media Firms Struggle," Investor's Business Daily (June 15, 2016) available at: http://www.investors.com/news/technology/click/facebook-googlecash-in-on-ads-as-news-media-firms-struggle/; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 15, 2016) at Attachment, Margaret Sullivan, "Face it, Facebook. You're in the News Business," Washington Post (July 10, 2016), available at: https://www.washingtonpost.com/lifestyle/face-it-facebook-youre-in-the-newsbusiness/2016/07/10/cc53cd70-451a-11e6-bc99-7d269f8719b1 story.html ("With the advent of live-streaming options — Facebook Live and Periscope, primarily — their already huge influence in the news universe has taken another stunning leap."); NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 18, 2016) at Attachment, Benny Evangelista, "Americans turning to mobile phones for news, Pew study shows," SFGate.com (July 7, 2016), available at: http://www.sfgate.com/business/article/Americans-turning-to-mobile-phones-for-news-Pew-8344673.php; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 19, 2016) at Attachment, Dan Tynan, "Democracy in Action on Twitter's Live Stream," Consumer Reports (July 16, 2016), available at: http://www.consumerreports.org/phones-mobile-devices/watch-the-conventioncoverage-on-twitters-live-stream/; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 20, 2016) at Attachment, Dan Kennedy, "Print Is Dying, Digital Is No Savior: The Long, Ugly Decline of The Newspaper Business Continues Apace," WGBH News, (January 26, 2016), available at: http://news.wgbh.org/2016/01/26/local-news/print-dying-digital-no-savior-long-ugly-declinenewspaper-business-continues; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 21, 2016) at Attachment, David Chavern, "Commentary: FCC Rule Limits Newspapers' Access to Capital, Growth," Philly.com (July 18, 2016), available at: http://www.philly.com/philly/opinion/20160718 Commentary FCC rule limits newspapers acces s to capital growth.html; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 22, 2016) at Attachment, Max Kutner, "As Print Journalism Declines, Fate of Sidewalk Newspaper Boxes is Unclear," Newsweek (Dec. 20, 2015), available at: http://www.newsweek.com/2016/01/15/decline-newspaper-boxes-407158.html; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 25, 2016) at Attachment, Mathew Ingram, "Print readership is still plummeting, and paywalls aren't really helping," Fortune (June 1, 2015), available at: http://fortune.com/2015/06/01/print-readership-paywalls/. 4 Rick Edmonds, "Newspaper Industry Lost 3,800 Full Time Professionals in 2014," Poynter.org (July

28, 2015), available at: <a href="http://www.poynter.org/2015/newspaper-industry-lost-3800-full-time-">http://www.poynter.org/2015/newspaper-industry-lost-3800-full-time-</a>

editorial-professionals-in-2014/360633/ (attached hereto).

<sup>&</sup>lt;sup>5</sup> *Id*.

doors can no longer provide a viewpoint or serve as a "voice." Retaining a rule that deters investment by broadcasters in the struggling print newspaper industry certainly cannot serve the public interest. Rather, the only result that can rationally be expected from the continued prohibition is to hasten the demise of print newspapers.

Respectfully submitted,

Rick Kaplan

General Counsel and Executive Vice President

Legal and Regulatory Affairs

Attachment



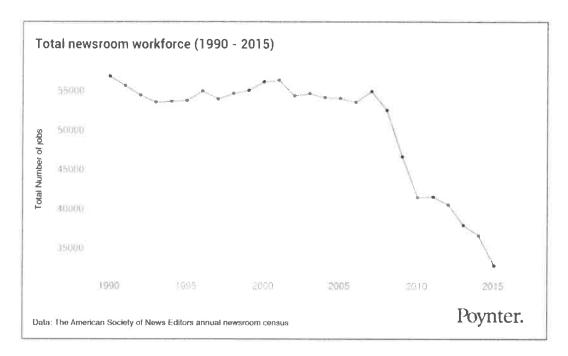
## Newspaper industry lost 3,800 full-time editorial professionals in 2014

By Rick Edmonds • July 28, 2015

The American Society of News Editors annual newsroom census, released this morning, found that job losses accelerated in 2014, falling by more than 10 percent in a single year.

The net job loss of 3,800 brings the total number of news professionals to 32,900 -with additional losses clearly taking place so far in 2015. That total is down just over 40 per cent from a pre-recession peak of 55,000 in 2006.

It's the biggest single year drop since the industry was shedding more than 10,000 jobs in 2007 and 2008. The comparable figure for 2013 was 1,300 jobs and 2,600 in 2012.



The survey began in 1978 to track progress in improving diversity in newspapers' newsrooms and leadership ranks and continues to embrace that mission. A limited bit of good news, noted by ASNE president Chris Peck in a press release, is that minority percentage of newsroom employment held close to steady, falling to 12.76 percent, compared to 13.34 percent the previous year.

While the report is labeled a census, it's a survey -- with the results from organizations reporting projected to a total industry figure for the nation's roughly 1,400 daily papers.

This year, the response rate was down significantly to 43.8 percent compared to more than 70 percent the previous three years. Executive director Teri Hayt, said some members complained that it was difficult to complete the census because it asks for a count of employees in traditional categories like reporter and copy editor, making it unclear whether or how to count digital jobs like web producer.

The organization intends to retool the survey next year to better reflect the changing structure of newsroom and may also shoot for added measures of diversity progress than employment statistics.

Another challenge for the census is the shift of many desk and layout jobs out of individual newsrooms to corporate production hubs. Hayt said 10 such hubs were surveyed and all 10 responded, but she was less sure ASNE had identified all of them.

For several years ASNE has tried to include digital-only organizations in the survey. Clearly some of the gaps in newspaper editorial employment are being made up in that sector. But there has never been broad enough participation to project a total. The 47 organizations responding reported their newsrooms made up of 19.2 percent minorities.

ASNE's commentary on the results says that papers in the circulation band of 250,000-500,000 bucked the general trend, recording an increase of nearly 14 percent in newsroom employment. But I'm mistrustful of the finding since the result can be influenced by changes in circulation numbers year-to-year and by which organizations decide to reply to the survey.

Even if not totally precise, the census is the best available indicator of trends in newsroom employment as the industry shrinks. Broadly the reductions have tracked revenue declines.

This year's results at least suggest the possibility that newsrooms are taking a bigger share of expense control than in years past. But as I noted in an earlier post, the Newspaper Association of America has not yet produced an industry estimate for 2014 revenue declines, and with more than enough downbeat news about news out there, it's not clear whether the organization will.

Related: Find out how diverse the American newspaper industry is with our interactive.

**AUTHOR INFORMATION** 

## Rick Edmonds

Rick Edmonds is Poynter's media business analyst, co-author of 10 State of the News Media reports, former Tampa Bay Times and Philadelphia Inquirer reporter.

